

LC

OFFICE OF THE CHAIRMAN
CORRESPONDENCE ASSIGNMENT

OC 06-067

ASSIGNED TO:
LEGAL/DSC-S

DATE: 03/13/2006

CORRESPONDENT: ROBERT P. ROSS
EXECUTIVE DIRECTOR
BLUEGRASS BANKERS ASSOCIATION
P.O. BOX 737
FRANKFORT, KENTUCKY 40602

MR. ROSS WRITES ON BEHALF OF THE BLUEGRASS BANKERS ASSOCIATION
TO COMMENT ON THE WAL-MART APPLICATION FOR AN ILC.

**THE ATTACHED CORRESPONDENCE HAS BEEN ASSIGNED TO LEGAL/DSC-S
FOR ATTENTION AS APPROPRIATE.**

**IF YOU HAVE ANY QUESTIONS RELATING TO THIS ASSIGNMENT, PLEASE
CONTACT THE CORRESPONDENCE UNIT OF THE OFFICE OF LEGISLATIVE
AFFAIRS AT 898-7055.**

DISTRIBUTION:

~~MS. RYAN~~

~~MS. TORPING~~

FILE

~~TICKLER~~

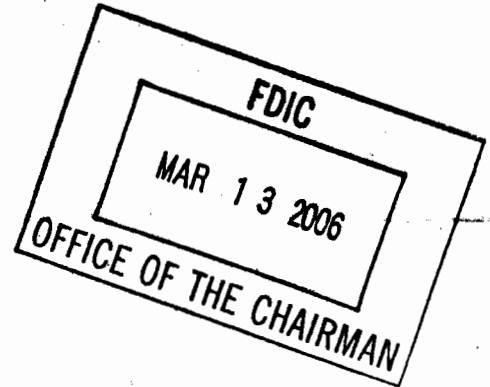
MS. KOWAL

MS. COLOHAN

BLUEGRASS BANKERS ASSOCIATION

**Post Office Box #737
Frankfort, Kentucky 40602
(877) 695-8100**

February 28, 2006



Martin J. Gruenberg
Acting Chairman
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

**RE: Comments Regarding FDIC Application #20051977; Wal-Mart
Application for Insurance and Industrial Bank Center**

Acting Chairman Gruenberg:

Our Association represents 50 community banks in the Commonwealth of Kentucky. We are firmly opposed to the above-referenced Application, which would allow Wal-Mart to enter into the banking business, and we urgently request that your Offices deny this Application.

History has shown many times over, in this country and in other countries, that allowing a combination of commercial business and banking business in one related structure will ultimately prove detrimental to the economy of the whole. The conflicts of interest that exist between these two business regimens are almost impossible to regulate in today's culture of profit at any cost. We have seen what steps large commercial firms will take to advance their interests over those of the customers at large, and the resulting devastating economic effect. To allow even the possibility of these conflicts, and the economic damage to our banking system that would result when the conflicts are ultimately breached, is totally unnecessary. Our country has a independent banking system second-to-none, and envied by the rest of the world. Please do not allow its ultimate ruination by approving an unnecessary combination of these two cultures that are inherently antithetic.

The Community Banking Association for the Bluegrass State

Martin J. Gruenberg
Acting Chairman
Federal Deposit Insurance Corporation
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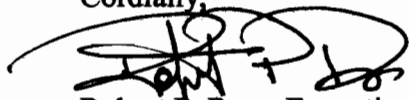
RE: Comments Regarding FDIC Application #20051977; Wal-Mart
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Further, one can only judge the civil responsibility of an organization by its history. Wal-Mart's history evidences, on a nationwide, and on a community-by-community basis, an insatiable desire for expansion and profit without a modicum of concern for the impact its policies and acts may have on business participants, and ultimately the public, in those geographic areas where Wal-Mart operates.

If this Application is approved, Wal-Mart will attempt to utilize and expand its activities to destroy the community banks in areas where it operates, all in the same manner that it has destroyed huge portions of its local commercial competition. This is without concern to the effect this will have on the general banking public, that will eventually be left with few alternative banking service providers. How can such a result possibly conform to our national bank regulatory objective to provide competitive, fair banking services to all customers?

Our community banking system is the conduit through which most small businesses obtain banking services, and as a result, provides jobs and economic benefits to each local community. It must be preserved and we urge you to deny this Application and protect the community banking system in America.

Cordially,

A handwritten signature in black ink, appearing to read "Robert R. Ross", with a large, stylized flourish above it.

Robert R. Ross, Executive Director

RPR:kwk